REMARKS

Claims 1-26 are pending.

Claims 7, 8 and 24 were previously withdrawn and are now canceled without prejudice or disclaimer of the subject matter recited therein.

Claims 1-6, 9-23, 25 and 26 stand rejected.

Claims 1-3, 5, 6, 9-23, 25, and 26 have been amended.

Claims 27 - 51 have been added.

Claim Rejections – 35 U.S.C. § 112

Claims 1-6 stand rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. The basis of the rejection resided with the language "collective data set" in claim 1. "Collective data set" has been deleted from claim 1.

Applicant respectfully request withdrawal of the rejection.

I. Claim Rejections - 35 U.S.C. § 102

Claims 1-6, 9-23, 25 and 26 stand rejected under 35 U.S.C. § 102(b) as being anticipated by *Mikurak* (U.S. Patent No. 6,671,818) or *Mikurak* (6,606,744) (collectively referred to herein as "*Mikurak*"). Applicant respectfully traverses the rejection.

The Examiner's stated on page 3 of the Office Action that *Mikurak* "discloses a contract with a distributor for selling a product where commissions are determined from collective credential information, e.g. Figs. 16, 17, 18, 19, 24, 64, 65, 128, 132, 133, cols. 89, 90, 100, 133, 170, 200, and 219." "Using XML language would have been inherent." *Id*.

Mikurak relates to a rights protection solution implemented through usage control, auditing, reporting, and/or payment but does not relate to what a solution is used "for" and, thus, cannot teach or suggest the present invention.

The cited teachings and suggestions of Mikurak relate to:

a new kind of web architecture framework (called "WAF" in this document) that secures, administers, and audits electronic information use. WAF also features fundamentally important capabilities for managing content that travels "across" the "information highway." These capabilities comprise a rights protection solution that serves all electronic community members. Mikurak, col. 82, lns. 8-14. (emphasis added).

Mikurak presents the general functionality of WAF in col. 88, ln. 59-col. 90, ln. 29 Mikurak states in relevant part that:

WAF supports a general purpose foundation for secure transaction management, including usage control, auditing, reporting, and/or payment. This general purpose foundation is called "WAF Functions" ("WAFFs"). ... When a host operating environment of an electronic appliance includes WAFF capabilities, it is called a "Rights Operating System" (ROS). WAFF load modules, associated data, and methods form a body of information that for the purposes of the present invention are called "control information." ... WAF templates [can be used], to employ specific capabilities, along, for example, with capability parameter data to reflect the elements of one or more express electronic agreements between WAF participants in regards to the use of electronic content such as commercially distributed products. ... A WAF content container is an object that contains both content (for example, commercially distributed electronic information products such as computer software programs, movies, electronic publications or reference materials, etc.) and certain control information related to the use of the object's content. (emphasis added).

Other portions of *Mikurak* cited by the Examiner include teachings regarding customizing an item for purchase and providing for secure payment but otherwise do not expand upon the general, relevant theme of *Mikurak*. For example, col. 118, lns. 16-40 relates specifically to "Electronic Agreements and Rights Protection" and lists a number of types of applicable electronic agreements. However, Applicant respectfully submits that *Mikurak* does not include any teachings related to determining "whether the validated credential information [of each of the distributors associated with one or more product distribution transactions] meets eligibility requirements for compensation associated with each of the obtained product distribution transactions" as required by amended claim 1 of the Present Application.

Accordingly, Applicant further submits that *Mikurak* neither teaches nor suggests "executing a rule engine to process the rule information and credential information to determine which, if any, of the one or more members of the set of distributors are properly credentialed to

receive compensation related to the product distribution transaction data" as required by amended claim 18 of the Present Application.

Additionally, for similar reasons, Applicant respectfully submits that new independent claims 34, 49, and 50 are allowable for at least the same reasons as claim 1, and claim 51 is allowable for at least the same reasons as claim 18.

Furthermore, Applicant respectfully submits that claims dependent upon claims 1, 18, and 34 are allowable for at least the same reasons as the independent claim upon which they respectively depend.

II. Claim Rejections - 35 U.S.C. § 102

Claims 1-6, 9-23, 25 and 26 stand rejected under 35 U.S.C. § 102(e) as being anticipated by *Koppelman et al.* (U.S. Patent No. 6,662,164). Applicant respectfully traverses the rejection.

The Examiner states on page 3 of the Office Action that "Koppleman discloses a computer, e.g. 100, used to determine a commission, e.g. 218, credited to a distributor based upon credential information, e.g. transaction information 200 containing propterties (sic) and/or quotas."

Koppelman states:

Transactions

Transactions contain information regarding a sale and may be viewed as a line item in a sales order. Each transaction is independent from each other such that the order in which a transaction occurs or is entered into the system is not relevant. Referring to FIG. 2, the input to the Commission system is a Model 218 and a set of Transactions 200. The Model 218 is static, and describes the Promotions, Products, and organizational hierarchy referenced by the incentive program. The Transactions 200 typically describe who sold what to whom and when. A Transaction may also answer the questions "why?", "how many?", and "for how much?". Transactions 200 may be arbitrarily extended to contain any number of properties and these properties may later be referenced or used by other components and hierarchies of the system. *Koppelman*, col. 7, line 59 through col. 8, line 7.

Applicants submit that none of the properties of a "transaction" taught or suggested in Koppelman relate to "credential information." Koppelman teaches that determining compensation for one or more individuals relates to the participation in the sale either directly or indirectly via a hierarchical compensation system. Koppelman contains no teachings or suggestions related to determining "whether the validated credential information [of each of the distributors associated with one or more product distribution transactions] meets eligibility requirements for compensation associated with each of the obtained product distribution transactions" as required by amended claim 1 of the Present Application. Accordingly, Applicant further submits that Koppelman neither teaches nor suggests "executing a rule engine to process the rule information and credential information to determine which, if any, of the one or more members of the set of distributors are properly credentialed to receive compensation related to the product distribution transaction data" as required by amended claim 18 of the Present Application.

Furthermore, the independent claims of the Present Application distinguish between "transactions" and "credential information" through the respective use of both terms.

Additionally, for similar reasons, Applicant respectfully submits that new independent claims 34, 49, and 50 are allowable for at least the same reasons as claim 1, and claim 51 is allowable for at least the same reasons as claim 18.

Furthermore, Applicant respectfully submits that claims dependent upon claims 1, 18, and 34 are allowable for at least the same reasons as the independent claim upon which they respectively depend.

CONCLUSION

In view of the amendments and remarks set forth herein, the application is believed to be in condition for allowance and a notice to that effect is solicited. Nonetheless, should any issues remain that might be subject to resolution through a telephonic interview, the Examiner is requested to telephone the undersigned.

I hereby certify that this correspondence is being deposited with the United States Postal Service as First Class Mail in an envelope addressed to: Mail Stop Fee Amendment, COMMISSIONER FOR PATENTS, P.O. Box 1450, Alexandria, VA 22313-1450 on December 8, 2004.

Attorney for Applicant(s)

Dec. 8,2004

Date of Signature

Respectfully submitted,

Kent B. Chambers

Attorney for Applicant(s)

Reg. No. 38,839